

FISCAL NOTE

HB 3723 - SB 3795

March 31, 2006

SUMMARY OF BILL: Requires the Bureau of TennCare to develop and implement a plan which uses medical assistance funds for matching premiums paid by small businesses for group health insurance policies.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$3,626,500

Other Fiscal Impact – Increase Federal Expenditures – Exceeds \$6,373,500

A more precise cost estimate is not possible because the TennCare Bureau has not provided any information to assist in the preparation of this fiscal note.

Assumptions:

- There is not a set definition for a small business. The Department of Labor and Workforce Development estimates that there are 105,102 small businesses with fewer than 100 employees.
- There will be an increase in expenditures estimated to exceed \$10,000,000 (\$3,626,500 in state funds and \$6,373,500 in federal funds).
- The Bureau of TennCare will incur an increase in expenditures for the development and implementation of an approved waiver proposal.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director